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9 January 1952

MEMORANDUM FOR: Deputy Director of Central Intelligence  
Deputy Director/Plans  
Deputy Director/Administration  
Assistant Director for Policy Coordination  
Assistant Director for Special Operations

The following general principles will govern administrative support for the Offices of Special Operations and Policy Coordination within the Central Intelligence Agency:

1. The central administrative organization will not be extended separately and in parallel to the operational command system.
2. Officers responsible for operations will so far as our resources permit be allocated personnel, funds, and materiel adequate for the performance of the missions assigned them. They will be held responsible both for the success of their operations and for the prudent and effective expenditure of the means allocated for these purposes.
3. Subject to the above principles, the Deputy Director/Administration is charged with and is responsible to the undersigned for all administrative support for the Agency. This responsibility extends on operational levels to include appropriate audits and inspections of the handling of funds and materiel allocated to operating offices.
4. Accordingly, I desire that the Assistant Directors for Special Operations and Policy Coordination each designate a staff officer to be responsible for administration within their respective organizations. These administrative officers will be under the command of the Assistant Directors of the operational offices concerned. Their efforts will be directed to the supply of those offices and of the operations for which their respective Assistant Directors are responsible.

The Deputy Director/Plans will be provided with an acceptable and qualified administrative assistant by the Deputy Director/Administration. This officer, serving on the staff of and primarily responsible to the Deputy Director/Plans, will coordinate the operations of the administrative officers of Special Operations and Policy Coordination and will be the channel through which their demands are presented to allocating authority.

The Deputy Director/Administration and his Deputy, Colonel White, will maintain close personal contact on a highly restricted basis with the staff officers of the operational offices mentioned in preceding paragraphs in order to insure adequate allocation of means consistent with the other requirements of the agency, proper security, continuing support, and the appropriate audits and administrative inspections.

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SECURITY INFORMATION

In several respects the above represents a major change in administrative procedure and it is so understood by all concerned. The attached copy of the Minutes of the Conference at which this procedure was outlined and agreed to is attached in amplification and to refresh your minds as to the discussion which took place on that occasion.

Please bring the above into effect without delay.

WALTER B. SMITH  
Director

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28 December 1951

MEMORANDUM FOR THE RECORD

**SECURITY INFORMATION**

SUBJECT: Support for PC and SO Operations

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PRESENT: General Smith and Messrs. Dulles, Wolf, Wisner, [REDACTED]  
Colonel Johnston, Messrs. Kirkpatrick, [REDACTED]

25X1A [REDACTED]

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The DCI stated that he had called this meeting to explain how support for the operations of PC and SO would be handled within the CIA. He drew the chart, annexed to this memorandum as Tab A, and explained it, beginning at the bottom.

25X1A The DCI explained that [REDACTED] is in substance the quartermaster for AD/PC. 25X1A  
It is [REDACTED] responsibility to insure that the operations of AD/PC are supported to the very best of his ability. [REDACTED] position is analogous to 25X1A  
that of a divisional quartermaster and he does not have to worry primarily about the Agency as a whole. His primary responsibility is to AD/PC.

25X1A Similarly, [REDACTED] is in substance the quartermaster for AD/SO and it is his responsibility to insure that the operations of AD/SO are supported to the best of his ability.

DD/P will also have an administrative and logistics man, as yet undesignated, who will act in substance as his "Quartermaster General". The function of DD/P's quartermaster is to service DD/P, but he will belong to DD/A. The DCI gave the analogy of the quartermaster for a Field Army, who is provided by the Theater G-4 and assigned to Army. Both AD/PC's and AD/SO's quartermasters would deal directly with this man and only through him with the office of DD/A.

25X1A The support of CIA as a whole will be the responsibility of DD/A, who will have [REDACTED] as his deputy. DD/P's "quartermaster" will be in constant touch with the Office of DD/A as the quartermaster of an Army is constantly in touch with the Office of the Theater G-4.

The DCI explained briefly how this arrangement would operate in determining the levels of personnel and material to be employed by the respective offices in performing their missions.

The QMs for AD/PC and AD/SO will request the support they consider necessary to accomplish their respective missions from the QM for DD/P, who, in turn, would consult the Office of DD/A. In some cases, requested levels will have to be reduced. It will then be necessary to determine whether or to what extent assigned missions can be performed with the levels of personnel and material which can be made available. If they could perform the mission originally assigned with these lesser means, it will be the responsibility of the operating offices to do the job with the available support. If not, the missions will have to be readjusted to be commensurate with the support available.

In response to questions from AD/PC, the DCI made it plain that after it had been determined what levels of support, in terms of personnel and materiel, were to be employed by DD/P, and under him by AD/PC and AD/SC, it would be the responsibility of the operating offices to insure that such personnel and materiel are properly employed in performance of assigned missions, reserving always to DD/A the function of inspection and audit.

Undoubtedly, it will be necessary for DD/P's "quartermaster" to confer from time to time with DD/A's office on matters of detail, but it was made clear that the operating offices will exercise control over the employment of personnel and materiel allocated and will be held strictly responsible for their effective and economical utilization.

In the course of discussing this point, the DCI stated that he wished to have it distinctly understood that he relied upon Mr. Wolf to exercise general supervision, as his representative, over all fiscal and supply matters--that he approved documents with the accompanying notation, "Signature recommended, Walter Reid Wolf," because they signified to him that funds are available and that the moneys are being legally spent.

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[REDACTED], at the conclusion of the meeting, requested agreement by all present that the system described by the DCI constituted a "major change" from present arrangements and such agreement was indicated.

In this connection, Mr. Wolf commented that it had always been his view that it was preferable to have the military system as such, rather than any compromise between the military system and any other system.

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[REDACTED]  
Acting Executive Assistant  
to the Director

O/DCI LEB:mlk  
Distribution:

Orig - [REDACTED]  
1 - DD/A 1 - D/DCI  
1 - DD/P 1 - EA/DCI

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SECURITY INFORMATION 9 January 1952

MEMORANDUM FOR: Deputy Director (Administration)

FROM: Deputy Director (Plans)

SUBJECT: Administrative Support for Covert Operations.

REFERENCE: Draft Memorandum of DCI Setting out General Principles Governing Administrative Support for OSO and OPC.

1. Confirming our several conversations of recent date with respect to the various issues which are involved in the subject above mentioned, and in response to your oral inquiry to me of 2 January, I should like to say that I agree with you that the general principles set out in the Director's draft memorandum are sound and workable, and that under these principles you and I, with the assistance of Mr. Dulles where needed, should be able to resolve any questions which may arise in this connection to our mutual satisfaction. In our most recent conversation you gave me the benefit of your views and interpretation of certain passages in the Director's memorandum, all of which were quite acceptable to me. Furthermore I understand and accept your reasons for wishing to leave the Director's memorandum unchanged at this time from its present concise form and to avoid a further spelling-out in that memorandum of certain points which are not specifically covered --for example, the question of procurement of supplies and materiel.

2. It has occurred to me that it would be very useful for both of us to have an informal record of our understandings concerning procedures under the Director's memorandum, and accordingly I am submitting this memorandum to you as a summary of my own views and what I understand to be yours. This memorandum is entirely informal and is not intended to be a modification of the Director's memorandum, but if you agree it could serve as a guide to ourselves (and, to the extent you may deem desirable, our own immediate staffs).

3. You will recall that one of my questions to you had to do with the identity of the "allocating authority" referred to in the last line of the second sub-paragraph under Paragraph 3. You explained to me that this allocating authority was yourself and your

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own office, but that this was a technical and not a policy function. More specifically, you stated that policy determinations as to the allocation of resources would be made by the Project Review Committee (on which we both sit, together with Mr. Dulles), and when approved by the Director would be carried into effect by your office to the full extent of our capabilities.

h. I understood you to say, with respect to the paragraph numbered "1", that this meant that your office would not have its own administrative structure extending down into or alongside of the operational structure in such a way as to parallel and duplicate the administrative elements of the operations organization in Washington and overseas. That seems to me to be the clear meaning of this paragraph, but I should like to be certain we agree on this point. I further understand in this connection that the operations organization will not establish offices which parallel and duplicate the offices of central administration.

5. With regard to the provision of the Director's memorandum relating to the furnishing by you to me of an acceptable and qualified administrative assistant, I understand that you have designated Mr. [REDACTED] for this purpose. [REDACTED] is, of course, completely acceptable to me in this connection, and it is my understanding and belief that he will be in a position to function effectively and to the satisfaction of both of us so long as he holds the authorities and responsibilities which we both propose to delegate to him.

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6. With regard to the rather complex subject of procurement of materiel and supplies, I agree with you that it is not possible to spell out in complete detail the method by which procurement of materiel and supplies will be handled in every conceivable case. However, it is my impression that you expressed agreement that there were a number of general principles which we might agree upon and within the general framework of which we should be able to work out any questions which might arise. These general principles are as follows:

a. The procurement machinery of your office will be used for the procurement of materiel and supplies within the United States to the largest extent compatible with the efficiency of the total procurement effort and the security of operations. This would mean that the major bulk of U. S. procurement will be

accomplished

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accomplished through your office, but that there may be certain cases when procurement is accomplished within the United States by the operating branches. In any such cases you would be consulted in advance and you would be kept fully informed as to the particulars.

b. Any such procurement of materiel and supplies as can best (most expeditiously and economically) be procured abroad rather than in the U. S. will be procured, as at present, by the operations offices. The determination as to whether any items of significant procurement can be effected best within the U. S. or abroad will be arrived at by consultation and agreement between the operating offices and central administration. If an important foreign procurement matter can be assisted or better accomplished with the help of a representative of your office, such representative will be made available by you for the purpose to the appropriate area division of the operating branches.

7. I should appreciate your informing me whether, in your opinion, this memorandum can serve as between ourselves as an informal record of both our views.

FRANK G. WISNER

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W.A.W.